



ENGINEERING CONSULTING SERVICES, INC.

CIVIL ■ ENVIRONMENTAL ■ MINING ■ SAFETY

340 South Broadway, Suite 200
Lexington, Kentucky 40508

April 27, 2006

Mr. Andrew McNeill, Acting Executive Director
Commonwealth of Kentucky
Office of Energy Policy
500 Metro Street
12th Floor, Capital Plaza Tower
Frankfort, Kentucky 40601

RE: Preliminary Environmental Review of Kentucky's FutureGen Site

Mr. McNeill:

Engineering Consulting Services, Inc. (ECSI) has performed a preliminary environmental review of the proposed FutureGen site located in Henderson County, Kentucky. It is my opinion, based on this review, that the FutureGen site contains no known hazardous waste at present. This preliminary review does not fully comply with ASTM Standards or the standards required for NEPA documentation. Further in depth inquiry would be required.

I visited the site on March 29, 2006, with a follow up by Mr. Paul Sainato and Mr. Rob Copeland of ECSI on April 26, 2006. The proposed site is a reclaimed surface coal mine and has partial reclamation bond release and will qualify for full release in the near future. This project will also qualify the area for full release by virtue of its Industrial/Commercial Post Mining Land Use. There was no visible evidence of any toxic or hazardous waste or underground storage tanks observed on site. Observation of the surrounding properties reveals an active underground coal mine adjacent to the north with a conveyor belt transporting coal to a preparation facility adjacent to the proposed site to the east. A coal slurry impoundment and coal refuse area associated is found further to the east. These activities have no impact to the FutureGen site. The remaining surrounding properties consist of cropland with some forested areas. Oil and gas wells are found in the surrounding areas with temporary storage tanks located approximately one mile west of the proposed site. These tanks appeared to have appropriate containment. There were no wells observed on the FutureGen site.

Mr. Andrew McNeill
April 27, 2006
Page Two

The site has not been listed on the National Priority List, nor has it treated, stored, or disposed of hazardous wastes identified or listed pursuant to Section 3001 of the Resource Conservation and Recovery Act (42 USC § 6921). It has not been remediated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) or the state equivalent (KRS 224.01 – 400 and KRS 224.01 – 405). The property has been bond-released, and does not have any known hazardous materials. Data bases reveal that the nearest Superfund site was an abandoned transformer site (AI 53251 – closed 4/9/2001) remediated under state authority that was 2.8 miles from the proposed FutureGen site. More detailed discussion and a map showing Superfund Facility Groups in the region are found in Section 1.2.1 of the FutureGen Proposal.

The proposed Kentucky FutureGen site will have no adverse impacts on wetlands on site. Approximately ten acres of wetlands are present on the proposed power plant site. This wetland is a marsh drained by an intermittent stream in an area heavily impacted by mining and agriculture. The man-induced effects reduce the quality of this site which is on reclaimed land and is approximately five to ten years old. Aging is required to further develop the hydric soils while some wetland flora (willows and rushes) are established. The electric and gas transmission corridors will have no impact on wetlands. The surrounding terrain is such that wetlands can be avoided in the construction of electric and gas transmission lines.

If you have questions or need further assistance, please contact me at (859) 233-2103.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Gardner", with a stylized flourish at the end.

Steve Gardner, P.E., P.S.
President/CEO